GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

UNSTARRED QUESTION NO:818
ANSWERED ON:28.04.2016
Withdrawal by Private Players Due to Shortage of Funds
Chautala Shri Dushyant;Muddahanumegowda Shri S.P.;Singh Shri Bharatendra

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Government is aware that many private players of road projects have withdrawn due to non-availability of equity or shortage of funds and loan to carry forward the projects;

(b) if so, the details of the stalled national highway projects withdrawn by the private players during the last three years;

(c) whether any steps were taken/being taken by the Government to complete those stalled NH projects with adequate fund allocation or subsidised finance from banks;

(d) if so, the details thereof; and

(e) whether the Government has asked Reserve Bank of India to permit subsidised finance from said banks to complete the stalled/pending projects and for the new projects and if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

(SHRI PON. RADHAKRISHNAN)

(a) to (d) Some National Highway projects are stalled due to various reasons including non-availability of equity/loan/funds. Government has taken following steps:-

(i) Securitization of future cash flows,
(ii) Deferment of Premium in stressed highway projects,
(iii) Harmonious Substitution in financially stressed highway projects,
(iv) One time fund infusion to revive and physically complete languishing BOT projects,
(v) Rationalized compensation to the concessionaire for languishing highway project in case the delays are not attributable to the concessionaire and
(vi) 100% Equity Divestment after 2 years of construction of all highway projects under PPP mode.

(e) No Madam.

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